THE REAL ESTATE, BANKING AND COMMERCIAL WEEKLY FOR MASSACHUSETTS

Issue of January 12, 2004

Editorial and Opinion

Green Building Task Force a Commitment to Boston's Future

By Thomas M. Menino

Cast a glance toward the future of development in Boston, and you will see definite challenges. Look more closely, more thoughtfully, and you will recognize enormous opportunities. That is the message of the Mayor's Green Building Task Force, which I convened in June of 2003.

The Green Building Task Force is comprised of key figures from across the spectrum of participants in Boston's building and development industry. These representatives of labor unions, design firms, major land owners, large institutions, builders, financiers, public health advocates, and others form an important public-private partnership, working with staff from my office, the City's Office of Environmental Affairs, the Department of Neighborhood Development, the Public Health Commission, and the Boston Redevelopment Authority. The composition of the Task Force, which has hundreds of years of cumulative experience with every aspect of building and development, and environment and health issues, allows for a truly comprehensive approach and an end product that will combine innovative thinking with real-world applicability.

Task Force members are now in the process of conducting a thorough assessment of the challenges and opportunities, as well as the importance, of making those involved in real estate development full partners in our efforts to make Boston a greener city. Through focused discussions of market forces, public policy, industry, and practice, the Task Force is amassing a greater understanding of the full range of issues involved in high performance green building. At the end of its first year, the Task Force will distill its knowledge into a set of formal policy recommendations designed to promote green building and development in Boston. It is my goal, and a goal of my Task Force, to make Boston a global leader in the field of high performance green building and development.

We must think boldly and broadly about energy efficiency, conservation, and smart growth. Sustainability of growth – not mere growth – is the goal of both the smart company and the smart city. While, clearly, this is true for reasons related to the well being of our environment, it is equally true for reasons related to the competitive arena of the business world.

Beyond the obvious importance of safeguarding our environment and health, high performance green building will also benefit Boston's economy. Substantial evidence indicates that high performance green building technologies are in fact good for companies' bottom lines. By compiling case studies on green projects, the Task Force will illustrate the ways that companies can reap cost savings that outweigh the up-front expenses associated with green building. For example, looking only at the issue of energy consumption, the City's Boston Nature Center in Mattapan will incur approximately 35% less in annual energy costs than it would have if it been built to code as a non-green building. This means that the additional capital expenditures incurred by building green will be fully recouped in as little as seven years.

And energy savings are only the most obvious and most easily quantified of the cost benefits of green buildings. Extended building life cycles, greater worker productivity, and greater employee retention also are being realized by businesses that accept the challenges of building green. Furthermore, over time the real advantages offered by green buildings will be recognized increasingly as critical to companies' having a competitive edge.

The Green Building Task Force also aims to benefit Boston's economy by increasing the city's share of what we might call the Green Economy: those products and services required by green builders and developers. We will work to combine our depth of understanding of the importance of green building with Boston's well-known history of innovation and entrepreneurialism, increasing Boston's share of developers and manufacturers of green products and technology. For a significant example of this forward thinking, consider the International Brotherhood of Electrical Workers, Local 103, which has staked out a leading position in its industry by training electricians in the installation and maintenance of high performance electrical systems and solar technologies. This great program reflects Boston's history of combining truly important ideas with business-world insight. My Green Building Task Force will lead to the creation of other ideas that similarly turn environmental consciousness into business-world opportunities.

Influencing people's image of Boston is another charge of the Task Force. In helping Boston become a leader in green building, development, and technology, the Task Force will add a new element to Boston's "brand." Our preeminence in this emerging field will be a natural extension of those things for which Boston is now known: our strong presence in the education, biotech, venture capital, and finance arenas and the large number of high-energy, creative young adults in our workforce. All of this will further attract both employers and talent to our city. And enhancing our brand in this way will further strengthen our ability to retain both employers and human capital, as Boston's commitment to high performance green building and development is something that will allow all Bostonians to feel a sense of pride and ownership. And we should be proud. Today's Boston is a city that sees the future and applies a rare combination of innovation and experience to transform challenges into opportunities.

Talent is key. I have consistently sought to approach issues of economic development with the inclusion of a workforce perspective. Boston's workforce is among the most talented in the nation. We attract many of the brightest minds in the world, and smart companies follow those minds. Furthermore, Boston's workforce is deep, strengthened by the policies of my administration. In 2003, we leveraged some \$25 million in workforce development funds, through the Neighborhood Jobs Trust, federal grants, and other monies, to help people acquire the skills necessary to connect with career ladders.

In shining a greater spotlight on the benefits of green building, the Task Force also aims to educate end users, from residential and commercial tenants to Real Estate Investment Trusts, thus influencing the demand side of the equation. As people come to better understand the advantages of being situated in a building that helps workers stay healthy and be more productive, increasingly they will demand these benefits. Developers seeking a competitive edge will anticipate this chain of events, as will companies seeking to maximize investments in human capital and attract and retain key talent.

The next meeting of the Task Force will be held at Harvard Business School on Thursday, January 15. Our meetings are open to the public, and I invite all to attend. The agenda will focus on education, awareness, and training relative to the technologies that are critical to green building.

The level of experience and the enthusiasm brought to the Task Force by its members excites me because it reflects a level of commitment to growing green building in Boston. We are learning from Boston buildings such as the Boston Nature Center, owned by the City of Boston and leased to Mass Audobon, Manulife Financial's U.S. Headquarters, and the Eire / Ellington Housing Development, as well as partnering with experts such as The Green Roundtable, the Massachusetts Technology Collaborative, and its Renewable Energy Trust. We are also drawing on outside experts, such as Greg Katz, principle author of "The Costs and Financial Benefits of Green Building," a report to California's Sustainable Building Task Force. The composition of the Task Force, coupled with the thoroughness of its approach to the subject, will ensure that our end product – the Task Force's Action Plan and Recommendations – will be both strategic and comprehensive in nature. I look forward to sharing it with all Bostonians.